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ABSTRACT

This progress report, as required by Act 359 of the South Carolina General Assembly, describes activities of a consortium of business and academic leaders toward development of a performance-based funding plan based on 37 performance indicators for public institutions of higher education in the state. Briefly summarized are the status of: measures and definitions, indicators, development of performance funding methodology, submission of regulations under the Administrative Procedures Act, and annual review and reporting to the General Assembly. In the first phase three task forces developed measures, definitions, and methods of reporting for the indicators. Attachments to the report include: a list of the Commission on Higher Education task force members; a list of sector committee members; and the measures and definitions of each of the 37 performance factors developed, including dates on which measurement data will be available. These indicators address the broad areas of: (1) mission focus, (2) quality of faculty, (3) instructional quality, (4) institutional cooperation and collaboration, (5) administrative efficiency, (6) entrance requirements, (7) graduates' achievements, (8) user-friendliness of institution, and (9) research funding. (CH)

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SOUTH CAROLINA
COMMISSION ON HIGHER EDUCATION

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SPECIAL REPORT NO. 4
JANUARY 14, 1997

HE 030 057

PERFORMANCE FUNDING:
A REPORT OF THE
COMMISSION ON HIGHER EDUCATION
TO THE
GENERAL ASSEMBLY

INTRODUCTION

Act 359, passed by the General Assembly in the 1996 legislative session, called for the submission of a performance funding plan to the next session of the Legislature in January 1997. This plan was to incorporate the provisions of Act 359, including the 37 performance indicators upon which funding is to be based, and implement performance funding beginning with the 1997-98 fiscal year and becoming fully operational in 1999-2000.

In July of 1996, the newly constituted Commission on Higher Education adopted a planning process in two phases, to be led by a Steering Committee made up of Commission members and led by the Vice Chair of the Commission. In the first phase three task forces, consisting of members appointed by the Chair of the Commission on Higher Education, developed measures, definitions, and methods of reporting for the 37 indicators. These task forces were chaired by members of the business community and included substantial representation from the business community, a member of the Commission on Higher Education, and other members drawn from suggestions from the Council of Presidents, the chairs of the boards of trustees, the Council of Faculty Chairs, and other interested parties.

The task forces met extensively, and in late September these task forces completed their work and presented their recommendations to the Steering Committee, which with minor revisions adopted them. Two indicators required further development of the measures. The Steering Committee referred them to the Commission staff and approved the staff recommendations at a subsequent Steering Committee meeting.

Once the measures were approved, the second phase of the planning process began. The Commission chair appointed four committees, one for each type of public higher education institution in the state (the state technical and comprehensive education system, two-year institutions - branches of the University of South Carolina, four-year colleges and universities, and research universities) as defined in Act

359. These committees, like the task forces in the first phase of planning, were chaired by business people, had strong representation from the business community, and included a Commission member as well as members selected from nominations from the chairs of the boards of trustees, Council of Presidents, and Council of Faculty Chairs. The job of these committees was to recommend how much each of the 37 indicators should count for institutions in that sector and also what level of achievement would be rewarded with performance funding.

The committees met regularly and extensively to produce recommendations to the Steering Committee. By December 3 the committees completed their work, and on December 10 the Steering Committee met to begin deliberating on the recommendations coming forward from the sector committees.

The meetings of the task forces and committees provided opportunity for participation and input from those attending, including representatives of the institutions of higher learning in the state. A list of the members of the sector committees and the task forces is included in **Attachment 1.**

MEASURES AND DEFINITIONS

The task forces charged with developing measures and definitions for the performance indicators were divided into three groups: Academics, Administrative Management, and Planning/Institutional Effectiveness. The Steering Committee set several guidelines for the task forces to follow:

1. provide the opportunity for input from institutions and other constituents;
2. limit the number of measures for each indicator;
3. limit the number of words used in descriptions and keep the language as clear and straight forward as possible; and
4. make sure each measure can be determined and that there are

appropriate and reasonable methods of reporting and determining.

The measures and definitions for each indicator are listed in **Attachment 2.**

INDICATORS

The number of performance indicators implemented will be phased-in over a three year period beginning in 1997-1998. This phase-in of indicators will allow for the collection of data that is not currently gathered by the institutions. The implementation schedule is as follows:

1997-1998 14 indicators
1998-1999 26 indicators
1999-2000 37 indicators
(see **Attachment 3** for specific listing)

During the first year, the Commission shall be empowered to suspend one or more of the individual indicators should data be unavailable.

DEVELOPMENT OF PERFORMANCE FUNDING METHODOLOGY

Given the work of the Task Forces and Sector Committees that has been completed, the Commission recognizes the need to develop further the performance funding methodology as it applies to generating funding allocations to higher education generally and to the higher education institutions. During this process, the Commission will seek input from:

- the Legislature;
- the business community;
- higher education institutions;

- Council of Public College and University Presidents;
- the Boards of Trustees
- Council of Faculty Chairs; and
- other interested parties.

The purposes of this process will include: 1) determining appropriate standards and weights for the performance indicators building on the reports of the sector committees; 2) developing the appropriate phase-in of performance funding; and 3) developing a funding methodology based on the indicators and measures. In this process, suggestions and input will be broadly solicited, and a report will be approved on these subjects prior to June 1, 1997. Given the expectations of continuous improvement in the performance of higher education institutions, as well as in the measures of that performance, the CHE, in consultation with the above listed groups, will periodically submit recommendations for revisions in Act 359 as deemed necessary.

SUBMISSION OF REGULATIONS UNDER ADMINISTRATIVE PROCEDURES ACT

The elements of this plan will be presented under the Administrative Procedures Act in two submissions, both in the 1997 session of the General Assembly: one for 1997-1998 including those indicators which apply in that year and one for 1998-1999 and 1999-2000 and following including those indicators which apply in those years. The acceptance of this report does not preclude the Commission on Higher Education from continuing its evaluation and approval of the recommendations of the sector committees, with or without any changes. It is understood that the process of deriving benchmarks and weights may result in sector-specific applications of the definitions contained herein and approved by the Commission on Higher Education and the General Assembly. Any such applications will be fully described in the annual reports listed below.

ANNUAL REVIEW AND REPORTING TO THE GENERAL ASSEMBLY

Recognizing that the benchmarking and weighting of the indicators will need to be developed and updated as more data become available and as the higher education community gains experience with performance funding and increases its level of performance, the standards and weights of the indicators will be reviewed periodically. The purpose of the review is to identify standards and weights which need to be adjusted to serve better the mission of higher education in the State, as defined in Act 359. The reviews will be conducted following processes approved by the Commission on Higher Education and ensuring input from the institutions of higher learning as well as the business community, the Legislature, the Council of Public College and University Presidents, the Boards of Trustees, the Council of Faculty Chairs, and other interested parties.

In addition, there will be an annual report from the Commission on Higher Education to the General Assembly, as part of the reporting requirements of Act 629, on the status of performance funding. This report will address the state of higher education in South Carolina and will include:

- a five year plan to improve performance for higher education in the State, updated annually;
- a record of institutional performance on the indicators during the previous year; and
- revisions and modifications to the standards and weights to ensure continuous progress toward high performance .

ATTACHMENT 1

COMMISSION ON HIGHER EDUCATION
TASK FORCE MEMBERS

The Chairman of the Commission on Higher Education, Austin Gilbert, has appointed members to the task forces charged with developing measures for the performance of higher education institutions as set forth by the General Assembly. The Task Forces are as follows:

ACADEMICS

Chairman:
- Mr. Larry Wilson, PMSC
- Dr. Layton McCurdy, MUSC
- Dr. John J. Britton, Clemson trustee
- Dr. John Stockwell, USC-Spartanburg
- Dr. Martha Herbert, Greenville Technical College
- Mr. Douglas McKay, SC Department of Commerce
- Ms. Juanita Bulloch, Southeastern Steel
- Mr. Stephen Avery, Michelin
- Mr. Frank Gilbert, CHE

ADMINISTRATIVE MANAGEMENT

Chairman:
- Dr. Walton H. Owens, Walt Owens & Associates, Inc.
- Dr. James Morris, Central Carolina Economic Development Alliance
- Mr. David White, Winthrop trustee
- Dr. Leroy Davis, SC State
- Dr. Ron Thurston, Clemson
- Ms. Susan Miller, McKnight, Frampton
- Mr. Bill Dauksch, Nucor
- Ms. Paula Harper Bethea, Bethea, Jordan, and Griffin
- Mr. Bill Stern, CHE

PLANNING/INSTITUTIONAL EFFECTIVENESS

Chairman:
- Mr. W.D. Workman III, Piedmont Natural Gas
- Ms. Patricia McAbee, Clemson trustee
- Dr. John Cormier, MUSC
- Dr. Ron Ingle, Coastal Carolina
- Dr. Willie Heggins, SC State
- Ms. Joan Williams, The Joan Williams Company
- Ms. Gloria Caldwell Simms, Roche-Carolina
- Ms. Fran Gilbert, Canal Industries
- Mr. Lewis Phillips, CHE

COMMISSION ON HIGHER EDUCATION
SECTOR COMMITTEE MEMBERS

The Chairman of the Commission on Higher Education, Austin Gilbert, has appointed members to the Sector Committees charged with developing benchmarks and weights for the 37 performance indicators. The Sector Committees are as follows:

RESEARCH UNIVERSITIES

Chairman: Mr. Larry Wilson, PMSC
Dr. Janice P. Bellack, MUSC
Mr. William Daulsch, Nucor
Mr. Winfred S. Greene, CHE
Ms. Patricia McAbee, Clemson trustee
Dr. Layton McCurdy, MUSC
Mr. Thomas Marschel, Florence Morning News
Dr. Walton H. Owens, Jr., Walt Owens & Associates, Inc
Dr. Ronald J. Thurston, Clemson University
Dr. Marcia Welsh, USC-School of Medicine

TEACHING UNIVERSITIES

Chairman: Mr. Stephen Avery, Michelin
Ms. Gloria Caldwell Simms, Roche Carolina
Mr. Warren A. Darby, SCE&G
Mr. Stan Davis, USC-Spartanburg
Ms. Fran Gilbert, Canal Industries
Mr. Frank Gilbert, CHE
Dr. Tom Hallman, USC-Aiken
Dr. William C. Moran, Lander University
Dr. Jack Parson, College of Charleston
Mr. James H. Shelley, Sonoco Products

TECHNICAL COLLEGES

Chairman: Mr. W.D. Workman, III, Piedmont Natural Gas
Dr. Thomas E. Barton, Jr., Greenville Technical College
Ms. Rosemary H. Byerly, CHE
Mr. Ron Chatham, Roche Carolina

Mr. Russ Emerson, Torrington Company
Mr. Gil Johnson, PMSC
Dr. Dennis Merrell, York Technical College
Mr. Oscar E. Prioleau
Dr. Kay Rhoads, Central Carolina Technical College
Mr. George Whitaker, Florence-Darlington Technical College

UNIVERSITY OF SOUTH CAROLINA BRANCHES

Chairman: Dr. Edwin H. Seim
Mr. Arnie Applebaum, Jackson Mills
Dr. Carl Clayton, USC-Salkehatchie
Dr. Deborah Cureton, USC-Lancaster
Ms. Susan Miller, McKnight, Frampton, & Company
M.G. Thomas R. Olsen, CHE
Dr. Chris P. Plyler, USC-Beaufort
Ms. Lily Roland Hall
Dr. Carolyn West, USC-Sumter
Ms. Joan Williams, The Joan Williams Company

ATTACHMENT 2

MEASURES AND DEFINITIONS

CRITICAL SUCCESS FACTOR: **(1)** **Mission Focus**

PERFORMANCE INDICATOR: **(A)** **Expenditure of Funds to Achieve Institutional Mission**

MEASURE:

Percent of instruction, research, public service, academic support, student services, institutional support, operation and maintenance of plant, scholarships and fellowships expenditures compared to total educational and general (E&G) expenditures (excluding funds transfers).

DEFINITION:

Expenditures include restricted and unrestricted funds for the research universities (USC-Columbia, Clemson, and MUSC); unrestricted expenditures for all other four-year and two-year institutions; and exclude fund transfers for all institutions.

CRITICAL SUCCESS FACTOR: **(1)** **Mission Focus**

PERFORMANCE INDICATOR: **(B)** **Curricula Offered to Achieve Mission**

MEASURE:

Using the institution's most recently approved mission statement, curricula offered to achieve that mission will be measured as the percentage of degree programs and other curricular offerings as defined by CHE which:
a. are appropriate to the degree-level authorized for the institution in Act 359 of 1996;
b. support the institution's goal, purpose, and objectives as defined in its approved mission statement;
c. meet baseline CHE-approved productivity standards with respect to student enrollment, degrees awarded, and student placements;
d. represent a reasonable investment of resources as measured against actual student enrollments, degrees awarded, and student placements;
e. have achieved a recognized standard of excellence as denoted through instruments such as CHE Commendations of Excellence; ratings or rankings recognized by discipline-based groups;

other awards and honors which testify to the program's regional and national reputation which can be quantified, and
f. are not offered, but ought to be offered in support of that mission.

DEFINITION:

Degree program and curricular offerings: an approved diploma, certificate, associate, bachelors, master's, or doctoral degree, or approved center, bureau, institute or comparable administrative unit established to provide instruction or public service or conduct research.

CRITICAL SUCCESS FACTOR: **(I)** **Mission Focus**

PERFORMANCE INDICATOR: **(C)** **Approval of a Mission Statement**

MEASURE:

Mission statement with defined characteristics will be approved by Commission on Higher Education on a five year cycle.The defined characteristics of a mission statement:
1) must relate the mission of the institution to the state and sector missions as stated in Act 359;
2) must address, as appropriate, the majorfunctions of teaching, scholarship/research and service;
3) must address the size of the institution in general terms, and
4) must address the following:

a. pertinent description information (e.g., public/private, two-year/four-year college university, rural/suburban/urban, etc);
b. delineation of the geographic region for which the institution intends to provide services;
c. description of types of students which the institution hopes to attract, of accompanied by statements about the types of occupations or endeavors which graduates will be prepared to, undertake;
d. statements expressing essential beliefs, values or intent of the institution;
e. outline of the major functions of the institution (e.g., general education, developmental education, vocational and technical education, professional education, student development, community or public service, research, continuing education, etc;
f. general description of the skills, knowledge, experiences, and attitudes ideally to be acquired or developed by the institution's students
g. be approved by appropriate bodies, e.g., boards of trustees, state boards, etc.

DEFINITION:

Service is defined as a) service to the public including community service, b) service to other institutions, agencies, etc., c) service to the discipline, and d) service to the institution

CRITICAL SUCCESS FACTOR: **(I)** **Mission Focus**

PERFORMANCE INDICATOR: **(D)** **Adoption of a Strategic Plan to Support the Mission Statement**

MEASURE:

Strategic plan with defined characteristics will be approved by the Commission on Higher Education based on 1) whether or not it addresses the required elements and 2) whether or not it supports the mission statement.

DEFINITION:

Defined characteristics will include, at a minimum, the 37 performance indicators which must be addressed as goal statements. All goals must address the mission statement and must be stated in documentable/measurable terms. The method of measurement and the measurements to be used must be clearly stated, as well as the resources required and the time line for the accomplishment of the goal. Strategic plans must always be subject to modification by the institution, but all areas of the strategic plan must fall within the parameters of the mission statement of the institution. Each strategic plan must include current enrollment figures, current number of programs and three year projection enrollment figures.

CRITICAL SUCCESS FACTOR: **(I) Mission Focus**

PERFORMANCE INDICATOR: **(E) Attainment of Goals of the Strategic Plan**

MEASURE:

Annual progress report on strategic plan analyzed and assessed by the Commission on Higher Education and rated on a scale based on progress in meeting the goals and availability of the resources required to do so.

DEFINITION:

Analysis will consist of an annual evaluation of the progress/attainment of each goal as related to the expected result, the resources required/dedicated and the date set for the expected results. Each year goals and expected results with time lines and required resources are to be updated. (Changes made to previous years' goals, expected results, resources, or time lines must be explained). Evaluation of the progress/attainment of goals is reported on a scale by sector.

CRITICAL SUCCESS FACTOR: **(2)** **Quality of Faculty**

PERFORMANCE INDICATOR: **(A)** **Academic and Other Credentials of Professors and Instructors**

MEASURE:

The quality of the faculty as represented by the academic and other credentials of professors and instructors is to be measured as:
a. the percent of all headcount faculty who meet the criteria for faculty credentials of the Southern Association of Colleges and Schools (SACS); and
b. the percent of all headcount faculty who exceed the criteria for faculty credentials for SACS.

DEFINITION:

Southern Association of Colleges and Schools (SACS): the recognized accrediting body in the southern region of the U.S.

CRITICAL SUCCESS FACTOR: **(2)** **Quality of Faculty**

PERFORMANCE INDICATOR: **(B)** **Performance Review System for Faculty to Include Student and Peer Evaluations**

MEASURE:

The extent to which the criteria stipulated in the "Best Practices for a Performance Review System for Faculty" document* are incorporated into the institution's own performance review system and the relative ranking of each institution as compared to others in its sector.

DEFINITION:

Performance review system: A documented system which provides for an annual evaluation of each faculty member's work to include teaching and research/creative activity as well as the faculty's contributions to the institution and the professional field.

Eligible faculty: All institutional personnel holding faculty rank are included.

*** See Special Report #3**

CRITICAL SUCCESS FACTOR: **(2)** **Quality of Faculty**

PERFORMANCE INDICATOR: **(C)** **Post-Tenure Review for Tenured Faculty**

MEASURE:

The extent to which the criteria stipulated in the "Best Practices for Post-tenure Review" document* are incorporated into the institution's own performance review system and the relative ranking of each institution as compared to others in its sector.

DEFINITION:

Performance review system: A documented system which provides for an annual evaluation of each faculty member's work to include teaching and research/creative activity as well as the faculty's contributions to the institution and the professional field. This evaluation should involve time for reflection, discussion and feedback and should provide for the professional development of the faculty member.

Post-tenure review: A systematic annual internal peer evaluation of tenured faculty in terms of teaching, research/creative activity and service. A cohort shall be established of which a percentage shall be evaluated annually by external peers, such that the entire cohort of tenured faculty is reviewed every six years. Such reviews are not to undermine tenure but to enhance the continued professional development of faculty.

Eligible faculty: Includes all faculty who have received tenure but does not include those faculty who have undergone tenure review within the past year.

*** See Special Report #3**

CRITICAL SUCCESS FACTOR: **(2)** **Quality of Faculty**

PERFORMANCE INDICATOR: **(D)** **Compensation of Faculty**

MEASURE:

The average deviation (expressed in standardized units) of faculty salaries by rank, discipline, and type of institution from national averages.

DEFINITION:

Average deviation: to be defined by CHE and to be calculated from the salary averages by rank, by discipline, and by type of institution.

Rank: Standard system of faculty classification: professor, associate professor, assistant professor, and instructor. Lecturers are excluded from this classification structure.

Discipline: The major areas of study identified in the Classification of Instructional Programs 1990 (CIP), National Center for Education Statistics

Type of Institution: Classification of institutional type which reflects highest degree offerings of the institution, e.g., two-year college, four-year college, university, law school, medical school or center, or theological seminary.

CRITICAL SUCCESS FACTOR: **(2)** **Quality of faculty**

PERFORMANCE INDICATOR: **(E)** **Availability of Faculty to Students Outside the Classroom**

MEASURE:

a. the percent of instructional faculty who receive a mean rating of "satisfied" or above on a standardized question* using a standardized scale administered in a prescribed manner on anonymous student evaluations which are submitted for all courses; and

b. the percent of students who report satisfaction with the availability of academic advisors outside the classroom as shown by a mean rating of "satisfied" or above on an anonymous evaluation instrument* completed at a minimum during the fall term by a representative sample of freshmen, sophomores, juniors, and seniors.

DEFINITION:

Availability outside the classroom: includes personal contact between faculty and students during office hours and other scheduled appointments as well as contact through e-mail, Internet, telephone, correspondence and other media.

Faculty advisors: those faculty or staff who advise students with respect to their course schedules and degree requirements.

*** See Special Report # 3**

CRITICAL SUCCESS FACTOR: **(2)** **Quality of Faculty**

PERFORMANCE INDICATOR: **(F)** **Community or Public Service Activities of Faculty for Which No Extra Compensation is Paid**

MEASURE:

Percent of full-time faculty participating in service to the community or public using professional skills/knowledge base with emphasis on service to the economic and community development of the region or the State.

NOTE: "Community or public service activities" are to be defined as actions taken or processes presented to audiences primarily not affiliated with the institution as students, faculty, or administrators.

DEFINITION:

Faculty: (IPEDS) those employees of the institution who are employed full-time (as defined by the institution) and who hold faculty rank. Also included in the category are:

Full-time faculty on sabbatical leave;
Full-time replacements for instructional faculty on leave without pay; and
Administrators and others who hold faculty rank.

This definition excludes the following personnel categories for this performance indicator:

Replacements for faculty on sabbatical leave;
Instructional faculty on leave without pay;
Instructional faculty for preclinical and clinical medicine;
Instructional faculty who are employed part-time or as adjuncts.

CRITICAL SUCCESS FACTOR: **(3)** **Instructional Quality**

PERFORMANCE INDICATOR: **(A)** **Class Sizes and Student/Teacher Ratios**

MEASURE:

1) The average class size by sector, discipline, level, and mode of delivery compared to the average in South Carolina's public institutions , and 2) Ratio of FTE students to FTE teaching faculty compared to the average in South Carolina's public institutions.

DEFINITION:

Mode of delivery is defined to include instructional format (lecture, laboratory, seminar, etc.) as well as how the class is offered e.g., on-site in a single classroom only; by televised broadcast to the state, nation or some specific site; as an audio taped lecture to be viewed at the learner's discretion; off site in a classroom at a business, agency, other institution, etc.

Level is defined as lower divisional, upper divisional, masters, first professional, and doctorate.

CRITICAL SUCCESS FACTOR: (3) **Instructional Quality**

PERFORMANCE INDICATOR: (B) **Number of Credit Hours Taught by Faculty**

MEASURE:

Average number of credit hours taught by 1) full time teaching faculty and 2) FTE teaching faculty, by level and sector compared to the average in South Carolina public institutions

DEFINITION:

Credit hour is defined as a unit of measure that represents an hour of instruction that can be applied to the total number of hours needed for completing the requirements of a degree, diploma, certificate or other formal award.

Level is defined as lower divisional, upper divisional, masters, first professional, and doctorate.

CRITICAL SUCCESS FACTOR: (3) **Instructional Quality**

PERFORMANCE INDICATOR: (C) **Ratio of Full-Time Faculty as Compared to Other Full-Time Employees**

MEASURE:

The total number of all full-time faculty members paid from unrestricted Educational and General Funds as a percent of the total number of all full-time employees paid from unrestricted Educational and General Funds.

DEFINITION:

Faculty: (IPEDS) those employees of the institution who are employed full-time (as defined by the institution)and who hold faculty rank. Also included in the category are:

Full-time faculty on sabbatical leave;
Full-time replacements for instructional faculty on leave without pay; and
Administrators and others who hold faculty rank.

This definition excludes the following personnel categories for this performance indicator:

Replacements for faculty on sabbatical leave;
Instructional faculty on leave without pay;
Instructional faculty for preclinical and clinical medicine;
Instructional faculty who are employed part-time or as adjuncts.

CRITICAL SUCCESS FACTOR: (3) **Instructional Quality**

PERFORMANCE INDICATOR: (D) **Accreditation of Degree-Granting Programs**

MEASURE:

Number of programs listed in the Inventory of Academic Degree Programs holding accreditation from a recognized accrediting agency as a percent of the total number of programs listed in the Inventory of Academic Degree programs for which accreditation is available.

DEFINITION:

Inventory of Academic Degree Programs: Annual listing of programs authorized by the Commission

Institutions Holding Accreditation: Those programs/institutions which have sought and have been
granted full accreditation status by the appropriate accreditating agency.

Programs for Which Accreditation is Available: Programs which are eligible for accreditation regardless of whether or not the institution chose to pursue accreditation.

CRITICAL SUCCESS FACTOR: (3) **Instructional Quality**

PERFORMANCE INDICATOR: (E) **Institutional Emphasis on Quality Teacher Education and Reform**

MEASURE:

The extent to which the criteria stipulated in the "Best Practices for Quality Teacher Education and Reform" document* are incorporated into the institution's own teacher education program and the relative ranking of each institution to others in its sector.

DEFINITION:
Professional Development School: a specially designed school in which school and higher education faculty collaborate to 1) provide student teaching and internship experiences and 2) support and enable the professional development of teachers in schools and of higher education

*** See Special Report # 3**

faculty. (Note: CHE has established additional, specific criteria for professional development school designation).

CRITICAL SUCCESS FACTOR: **(4)** **Institutional Cooperation and Collaboration**

PERFORMANCE INDICATOR: **(A)** **Sharing and Use of Technology, Programs, Equipment, Supplies, and Source Matter Experts Within the Institution and With Other Institutions**

MEASURE:

The total number of cooperative/collaborative projects, partners, people served, and the total financial impact of the cooperative/collaborative projects.

Project A, serving X people, with a financial impact of $X
\+ Project B, serving X people, with a financial impact of $X
Total Projects 2, serving XX people, total financial impact of $XX

DEFINITION:

Financial impact is defined as dollars saved or dollars earned by a particular collaborative/cooperative venture. Information will be based on institutionally defined projects, partners, and people served for paid and non-paid services.

CRITICAL SUCCESS FACTOR: **(4)** **Institutional Cooperation and Collaboration**

PERFORMANCE INDICATOR: **(B)** **Cooperation and Collaboration With Private Industry**

MEASURE:

The total number of cooperative/collaborative projects, partners, or people served, and the total financial impact of the cooperative/collaborative projects.

Project A, serving X people, with a financial impact of $X

+ Project B, serving X people, with a financial impact of $X

Total Projects 2, serving XX people, total financial impact of $XX

DEFINITION:

Financial impact is defined as dollars saved or dollars earned by a particular collaborative/cooperative venture. Survey instrument basis for data collection. Information will be based on institutionally defined projects, partners, and people served for paid and non-paid services.

CRITICAL SUCCESS FACTOR: **(5)** **Administrative Efficiency**

PERFORMANCE INDICATOR: **(A)** **Percentage of Administrative Costs as Compared to Academic Costs**

MEASURE:

Academic costs as a percentage of total E&G expenditures compared to administrative costs (institutional support) as a percentage of total E&G expenditures.

$$\frac{\text{academic costs}}{\text{total E\&G Exp.}} \quad \text{vs.} \quad \frac{\text{administrative costs}}{\text{total E\&G Exp.}}$$

DEFINITION:

Expenditures for total E&G , academic, and administrative costs include restricted and unrestricted funds for the research universities (USC-Columbia, Clemson, and MUSC); unrestricted funds for all other four-year and two-year institutions; and exclude fund transfers for all institutions.

Academic costs are defined as expenditures for instruction, research, and academic support; administrative costs are defined as institutional support.

CRITICAL SUCCESS FACTOR: **(5)** **Administrative Efficiency**

PERFORMANCE INDICATOR: **(B)** **Use of Best Management Practices**

MEASURE:

The evaluation by CHE of each institution's best management practices based on a CHE approved list of criteria, reported by the institutions, and evaluated by CHE annually.

DEFINITION:

Criteria based on checklist of best management practices* agreed upon by CHE and the institutions.

*** See Special Report # 3**

CRITICAL SUCCESS FACTOR: **(5)** **Administrative Efficiency**

PERFORMANCE INDICATOR: **(C)** **Elimination of Unjustified Duplication Of and Waste In Administrative and Academic Programs**

MEASURE:

Percent of administrative and academic costs saved by the identification of and elimination of unjustified duplication and waste in administrative and academic programs as identified and reported by the institution.

$$\frac{\text{administrative costs saved}}{\text{total administrative costs}} \quad \text{and} \quad \frac{\text{academic costs saved}}{\text{total academic costs}}$$

DEFINITION:

Duplication and waste as defined by the institution; administrative costs include institutional support and operation and maintenance of physical plant; academic costs include costs for instruction, research, and academic support.

CRITICAL SUCCESS FACTOR: **(5)** **Administrative Efficiency**

PERFORMANCE INDICATOR: **(D)** **Amount of General Overhead Costs**

MEASURE:

General overhead costs divided by FTE students.

DEFINITION:

General overhead costs are defined as institutional support expenditures plus expenditures for

operation and maintenance of physical plant (indexed by age of construction).

Expenditures include restricted and unrestricted funds for the research universities (USC-Columbia, Clemson, and MUSC); and unrestricted funds for all other four-year and two-year institutions. FTE is defined as total annual full-time equivalent students.

CRITICAL SUCCESS FACTOR: **(6)** **Entrance Requirements**

PERFORMANCE INDICATOR: **(A)** **SAT and ACT Scores of Student Body**

MEASURE:

Percent of first-time entering freshmen who meet or exceed the benchmark SAT or ACT score for the sector within the state. (This measure is not applicable to the technical colleges)

DEFINITION:

Benchmark score to be set by Sector Task Forces. Scores of first-time entering freshmen at each institution to be used in calculating the percent meeting or exceeding the benchmark will include: (1) the combined score (verbal and math) of the student's SAT score (recentered) and/or ACT composite scores (converted to SAT equivalent) of all first-time entering freshmen (including provisional students).

CRITICAL SUCCESS FACTOR: **(6)** **Entrance Requirements**

PERFORMANCE INDICATOR: **(B)** **High School Standing, Grade Point Averages, and Activities of Student Body**

MEASURE:

The percent of first-time entering freshmen with a high school GPA equal to or greater than X. (This measure is not applicable to the technical colleges.)

DEFINITION:

High school GPA is defined as a student's high school grade point average as defined for CHEMIS. High school standing is defined as high school rank and activities of the student body are defined as extracurricular non-academic activities. Because data are not available for measuring high school rank and extra-curricular activities, no weight should given to these parts of the indicator.

CRITICAL SUCCESS FACTOR: **(6)** **Mission Focus**

PERFORMANCE INDICATOR: **(C)** **Post-Secondary Non-Academic Achievement of Student Body**

MEASURE:

Approval by the institution of a policy for non-traditional students that provides for consideration of work and/or public service experience in the admissions process in the awarding of prerequisite credit and course credit, consistent with the following principles:
a. The institution approval should include the appropriate decision making body(ies) at the institution.
b. Consideration for admission purposes should be based on substantive work and/or public service experience that demonstrates proficiencies comparable to academic proficiencies usually required for admissions.
c. Consideration for awarding credit should be based on substantive work and/or public service experience that demonstrates proficiencies comparable to academic proficiencies and skill levels in the college level courses for which pre-requisite credit or course credit is awarded.
d. the policy for awarding credit should include an overall maximum number of hours of credit that can be awarded for work and/or public service experience for any one student.
e. The policy should establish a definition for the non-traditional students to whom it applies, including minimum age, minimum length of time not enrolled in school prior to enrolling or resuming education at the institution, and minimum number of years of work or public service experience required before credit is awarded.
f. The policy should be consistent with other applicable institutional policies such as those for the awarding of credit by examination (CLEP examination or institutional challenge examinations).

DEFINITION:

The definitions of appropriate body(ies), substantive work, public service, and proficiencies and skill levels in the college level courses for which credit is awarded will be decided by the institution.

Non-traditional student will be defined by the institution with regard to age, length of time out of school, and length of time in work or public service.

CRITICAL SUCCESS FACTOR: **(6)** **Entrance Requirements**

PERFORMANCE INDICATOR: **(D)** **Priority on Enrolling In-State Students**

MEASURE:

The ratio of enrolled in-state undergraduate students to total undergraduate students.

$$\frac{\text{in-state undergraduate students}}{\text{total undergraduate students}}$$

DEFINITION:

Number of in-state undergraduate students enrolled in the institution divided by total undergraduate students enrolled at the institution and compared with the appropriate percent of undergraduate in-state students for each institution within a sector, with in-state residents defined by the residency regulations in the S.C. Administrative Procedures Act (APA).

CRITICAL SUCCESS FACTOR: **(7)** **Graduates' Achievements**

PERFORMANCE INDICATOR: **(A)** **Graduation Rate**

MEASURE:

Requires three rates (including numbers) to be published and calculated. All numbers and rates are calculated using 150% of program time. *Rate 1: First time student graduation number and rate*: the number and rate at which first time, full time, degree seeking students graduate. *Rate 2: Transfer-out number and rate*: the number and rate at which first time, full time, degree seeking students transfer out of the institution. *Rate 3: Transfer-in graduation number and rate*: the number and rate at which first time, full time, degree seeking students who transfer into an institution graduate. All three rates with numbers will be disclosed and combined for the following funding rate:

$$\frac{\text{Initial cohort graduates + transfer in graduates}}{\text{(First time, full time cohort + students transferring in with full time status) - (Students from the cohort who transfer out + students from the cohort who are otherwise disqualified according to Student Right to Know Act, e.g., died, joined military, totally disabled, etc.)}}$$

DEFINITION:

Normal program time is the time stated in the institution's catalogue to obtain a degree generally two years for a two year institution and four years for a baccalaureate degree.
First time, full time students refers to undergraduate students only for this indicator
First time refers to a student's first time at any college
Full time refers to at least 12 credit hours enrollment for an undergraduate student
150% of normal program time refers to three years for a two year degree and six years for an undergraduate degree
Transfers-in refers to first time transfers into an institution. Must be degree seeking, full time students

Transfers-out of an institution refers to any student who leaves the institution to attend another postsecondary institution of higher education (documented by acceptable Student Right to Know documentation and confirmed by CHEMIS)

CRITICAL SUCCESS FACTOR: **(7)** **Graduates' Achievements**

PERFORMANCE INDICATOR: **(B)** **Employment Rate for Graduates**

MEASURE:

Percentage of graduates from undergraduate programs in an institution who are employed within a time frame determined by sector.

DEFINITION:

Employed is defined as work for pay or profit or temporary absence form a job to which the worker will return as a percent of graduates in any given year.

CRITICAL SUCCESS FACTOR: **(7)** **Graduates' Achievements**

PERFORMANCE INDICATOR: **(C)** **Employer Feedback on Graduates Who Were Employed or Not Employed**

MEASURE:

The level of satisfaction with the graduates of the institution, on a statewide survey, reported on a scale of satisfaction, by institution.

DEFINITION:

Statewide survey means a statistically valid survey conducted on a statewide basis

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CRITICAL SUCCESS FACTOR: **(7)** **Graduates' Achievements**

PERFORMANCE INDICATOR: **(D)** **Scores of Graduates on Post-Graduate Professional, Graduate or Employment-Related Examinations and Certification Tests**

MEASURE:

1) Percentage of total students taking certification examinations who pass the examination on the first attempt, and

2) percentage of the total students who pass the examination on subsequent attempts.

DEFINITION:

Certification examinations are those examinations required for licensing or to practice within the State of South Carolina and/or the nation. ***These examinations have been defined for Act 255 and will remain the same for Act 359.***

CRITICAL SUCCESS FACTOR: **(7)** **Graduates' Achievements**

PERFORMANCE INDICATOR: **(E)** **Number of Graduates Who Continue Their Education**

MEASURE:

Percentage of graduates who continue their education in a more advanced program

DEFINITION:

Applies to all graduates of undergraduate and selected graduate programs.

CRITICAL SUCCESS FACTOR: **(7)** **Graduates' Achievements**

PERFORMANCE INDICATOR: **(F)** **Credit Hours Earned of Graduates**

MEASURE:

The total number of hours required to graduate by sector, discipline/degree, and by institution compared to the total number of hours earned by graduates upon graduation.

DEFINITION:

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Total hours required are the total hours required to graduate by the program requirements as stated in the catalogue

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CRITICAL SUCCESS FACTOR: **(B)** **User-Friendliness of Institution**

PERFORMANCE INDICATOR: **(A)** **Tranferability of Credits To and From the Institution**

MEASURE:

The extent to which the criteria stipulated in the "Policy and Procedures for Transferability of Credits" document* are achieved by the institution and the relative ranking of each institution to others in its sector.

DEFINITION:

Transfer student: a full-time, degree-seeking student entering an institution for the first time but known to have previously attended a post-secondary institution at the same level (i.e. undergraduate). (Definition source IPEDS.)

*** See Special Report # 3**

CRITICAL SUCCESS FACTOR: **(B)** **User-Friendliness of Institution**

PERFORMANCE INDICATOR: **(B)** **Continuing Education Programs for Graduates and Others**

MEASURE:

Number of non-credit continuing education student contact hours.

DEFINITION:

Continuing education means any course or group of courses designed to meet specific occupational or professional needs.

Contact hour is a unit of measure that represents an hour of instructional contact between a faculty member and a student.

Non-credit courses are those courses offered by an institution which do not carry academic credit.

CRITICAL SUCCESS FACTOR: **(8)** **User-Friendliness of Institution**

PERFORMANCE INDICATOR: **(C)** **Accessibility to the Institution of All Citizens of the State**

MEASURE:

The ratio of an institution's accumulated points for accessibility to maximum points allowed for measure.
Accessibility points:
A. The percent of other-race undergraduate students enrolled at an institution = X points
B. The total number of credit hours generated off-campus in counties where no comparable program is offered by a public institution = X points
C. The total number of credit hours generated in-state through distance education = X points
D. In-state, undergraduate, tuition and required fees are not more than XX% of S.C. personal per capita income = X points

$$\frac{A+B+C+D}{\text{Total points allowed for measure}}$$

DEFINITION:

A. Other race for institutions other than historically Black colleges and universities (HBCUs) would be African-American students; other race for HBCUs would be White, non-Hispanic students.
B. Off-campus instruction is defined as courses offered off-site, in a classroom setting, with an instructor present, and which are not offered through electronic means. Comparable programs refers to courses offered at comparable course levels, i.e., associate level courses vs. baccalaureate level courses vs. graduate level courses.
C. Distance education is defined as instruction offered off-site via electronic means.
D. Personal per capita income as reported by the S.C. Office of Research and Statistics and published in the most recent South Carolina Statistical Abstract.

CRITICAL SUCCESS FACTOR: **(9)** **Research Funding**

PERFORMANCE INDICATOR: **(A)** **Financial Support for Reform in Teacher Education**

MEASURE:

The percentage of an institution's private and public research grants and Educational and General costs dedicated to teacher education programs as measured against the total Educational and General costs and public and private grants allocated to research for the institutions, weighted by total FTE enrollment in teacher education programs (graduate and undergraduate) as related to the enrollment in all other degree programs (graduate and undergraduate).

DEFINITION:

Grant: Includes grants, contracts, and cooperative agreements specifically designed for research.

Research Grant: An award of funds from the United State Government or other entity for the principal purpose of systematic study and investigation undertaken to discover or establish facts or principles. The principle purpose of a research grant is not to provide services to the public or the employees or clients thereof. (Definition taken from ACT 651.)

CRITICAL SUCCESS FACTOR: **(9)** **Research Funding**

PERFORMANCE INDICATOR: **(B)** **Amount of Public and Private Sector Grants**

MEASURE:

The current year's grants (i.e., the total dollars received from public and private sector grants expended in State fiscal year for research, including federal and state grants, private gifts and grants, and local support, and excluding monies for financial aid, student scholarships and loans) divided by the weighted average of grant funding from the prior three years (weighted at 60%, 30% and 10% from most recent year to least recent year respectively).

Note: The Task Force recommends that this indicator be weighted on an ascending/escalating scale so that institutions are rewarded for increasing the level of funds generated, thereby preserving the philosophy of the $.25 match for every dollar generated under the old formula as a true performance indicator (e.g., the better the performance, the greater the reward). The Task Force also recommends that the relative weight assigned to this indicator as compared with the other 36 performance indicators be significant for the research universities.

DEFINITION:

State Grant: Those grants awarded from State funds, including funds from other state agencies, but by excluding those funds that come from the higher education appropriation and other related line items from higher education (e.g., Public Service Activities, SCAMP, etc.).

Research Grant: An award of funds from the United States Government or other entity for the principal purpose of systematic study and investigation undertaken to discover or establish facts or principles. The principle purpose of a research grant is not to provide services to the public or the employees or clients thereof. (Definition taken from ACT 651.)

Attachment 3

DATA COLLECTION

MEASURES FOR WHICH CHE HAS/WILL HAVE DATA

INDICATOR NUMBER & DESCRIPTION	1997-98	1998-99	1999-2000
I. Mission Focus			
A. Expenditure of funds to achieve institutional mission		X	X
B. Curricula offered to achieve mission		X	X
C. Approval of a mission statement	X	X	X
D. Adoption of a strategic plan to support the mission statement		X	X
E. Attainment of goals of the strategic plan			X
II. Quality of Faculty			
A. Academic and other credential of professors and instructors			X
B. Performance review system for faculty to include student and peer evaluations		X	X
C. Post-tenure review for tenured faculty			X
D. Compensation of faculty	X	X	X
E. Availability of faculty to students outside the classroom		X	X
F. Community or public service activities of faculty for which no extra compensation is paid			X
III. Instructional Quality			
A. Class sizes and student/teacher ratios	X	X	X
B. Number of credit hours taught by faculty	X	X	X

C. Ratio of full-time faculty as compared to other full-time employees	X	X	X
D. Accreditation of degree-granting programs	X	X	X
E. Institutional emphasis on quality teacher education and reform			X
IV. Institutional Cooperation and Collaboration			
A. Sharing and use of technology, programs, equipment, supplies, and source matter experts within the institution, with other institutions, and the business community			X
B. Cooperation and collaboration with private industry			X
V. Administrative Efficiency			
A. Percentage of administrative costs as compared to academic costs	X	X	X
B. Use of best management practices		X	X
C. Elimination of unjustified duplication of and waste in administrative and academic programs		X	X
D. Amount of general overhead costs	X	X	X
VI. Entrance Requirements			
A. SAT and ACT scores of student body	X	X	X
B. High school standing, grade point averages, and activities of student body		X	X
C. Post-secondary non-academic achievement of student body		X	X
D. Priority on enrolling in-state students	X	X	X
VII. Graduates' Achievements			
A. Graduation rate		X	X
B. Employment rate for graduates			X

C. Employer feedback on graduates who were employed or not employed			X
D. Scores of graduates on post-graduate professional, graduate or employment-related examinations and certification tests	X	X	X
E. Number of graduates who continue their education			X
F. Credit hours earned of graduates	X	X	X
VIII. User-Friendliness of Institution			
A. Transferability of credits to and from the institution		X	X
B. Continuing education programs for graduates and others			X
C. Accessibility to the institution of all citizens of the State	X	X	X
IX. Research Funding			
A. Financial support for reform in teacher education		X	X
B. Amount of public and private sector grants	X	X	X
Total Number Implemented	**14**	**26**	**37**

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